

## **Details of Guidelines/instructions issued by the State Government from time to time for the implementation of MLAs' priority schemes**

- Prior consultation with the concerned local XEN (PWD/I&PH) would be a must before recommending the inclusion of a project proposal in the shelf. The concerned XEN (PWD/I&PH) will review the position of preparing DPRs every quarter and give a project proposal-wise status summary to the concerned Hon'ble MLA and HOD. The concerned Secretary would review the position every six months and apprise the position to the Planning Department on an annual basis. Planning Department would review the position on an annual basis. NABARD will also be invited to participate in the review meetings of the concerned Secretaries and Planning Department. PWD and IPH Department would endeavour to ensure an even sanctioning of projects across all Constituencies. The DPR of project costing more than Rs. 5.00 crore will be posed to NABARD after obtaining the approval of Hon'ble Chief Minister.
- The following sector-wise minimum limit of estimated cost of each DPR of MLA Priority Scheme has been fixed for posing to NABARD for funding:-

Sr. No.	Sector	Minimum Limit of Estimated Cost of each DPR (Rs. in lakh)
1.	2.	3.
1.	Rural Water Supply	10.00
2.	Minor Irrigation (IPH)	25.00
3.	Roads & Bridges	50.00

The project proposals of less than above mentioned amounts will not be posed for RIDF funding. Therefore, such schemes/proposals need not be prioritized under MLA Priority Schemes. The project proposals of less than above mentioned amount could be taken up under various other State & Central Sector schemes. However, on the request of Hon'ble MLA, project proposal of less than minimum limit could be considered for RIDF funding on case to case basis with the prior approval of State Government.

- There is an urgent need to look for alternative source for funding developmental projects in the State. For instance, we need to shift more to AIBP/PMKSY for minor irrigation schemes (where part funds are available as grants from Government of India); ARWSP for drinking water schemes, PMGSY and CRF for roads; RKVY for projects in the Agriculture/Horticulture and Animal Husbandry Sectors; and to the extent possible under MNREGA for different sectors projects (under 50% line departments component). Further, in view of the limits in raising loan through NABARD, priority projects of Hon'ble MLAs should also be posed for funding under these sources instead of posing them solely to NABARD. Comprehensive instructions on the subject were also issued by the Planning Department on 2<sup>nd</sup> December, 2010. Therefore, the departments may reprioritize the pending DPRs of various developmental projects including those falling under priority projects of the Hon'ble MLAs, and pose them for funding under alternative sources of funding instead of restricting such funding only through NABARD. **(Instructions issued to the implementing Departments vide letter No. PLG-FC(F)1-30/08/RIDF-HPC(Mtg.) dated 2<sup>nd</sup> December, 2010).**
- In case full funding of any project is not possible under grant based Golprogrammes (PMGSY, CRF, NRDWP, AIBP/PMKSY, etc) due to different norms, instructions, etc., at least part funding may be ensured, with the balance funding coming from NABARD. PW and IPH Departments may give invariably the list of MLA priority projects which have been funded outside NABARD funding to Planning Department. **(Decision No. 3 ( xii) of the minutes of the 37<sup>th</sup> HPC meeting circulated vide letter No. PLG.FC(F) 1-32/10/RIDF-HPC(Mtg.) dated 20<sup>th</sup> May, 2011).**
- The I&PH Department may enclose a certificate with the DPR that entire available flow Irrigation/Drinking Water potential has fully been utilized / integrated with the proposed Lift Irrigation/ Lift Drinking Water Supply Scheme in the area. There is no alternative other than the proposed Lift Irrigation/Lift Drinking Water Supply in the proposed area to provide Irrigation/Drinking Water facility to the local public. **(Instruction issued to I&PH Department vide letter No. PLG.FC (F)1-10/RIDF/2009-loose dated 2<sup>nd</sup> September, 2011).**
- The I&PH Department may enclose a certificate with the DPR that energy consumption in the proposed Lift Irrigation/Lift Drinking Water Supply Scheme has

been kept at the bare minimum required level. Presently, there is no machinery/ equipment available to reduce the proposed energy requirement for this Lift Irrigation/Lift Drinking Water Supply Scheme. **(Instruction issued to I&PH Department vide letter No. PLG.FC(F)1-10/RIDF/2009-loose dated 2<sup>nd</sup> September, 2011).**

- The PW and IPH Departments may pose the DPRs of Hon'ble MLAs priority schemes only after ascertaining that the same can not be funded under Central Sector Programmes like PMGSY, CRF, AIBP/PMKSY, NRDWP, Flood Management Programme, Watershed Development Programme, etc. A certificate may invariably be attached with the DPRs of Road, MI and Rural Water Supply schemes giving detail justification/reasons as to why the scheme can not be covered under Gol grant based programmes. **(Instruction issued to PW and I&PH Departments vide letter No. PLG.FC(F)1-33/11/RIDF-XVII (R&B)-loose dated 2<sup>nd</sup> June, 2012).**
- Implementing Departments will ensure to avail maximum assistance under Gol grant based programmes/schemes and pose the MLAs priority schemes for funding under PMGSY, CRF, World Bank, RKVY, AIBP, NRDWP, Watershed Development programme, Flood Management programme, etc. The Planning Department will not entertain the DPRs of the MLA priority schemes for NABARD funding for which grant based funds are available with Gol. The implementing departments may pose projects like tunnels and bridges for RIDF funding which can not be covered under above mentioned programmes and for which grant based funds from Gol is not available. **(Decision No. 9 of the minutes of the 39<sup>th</sup> HPC meeting circulated vide letter No. PLG.FC(F)1-34/12/RIDF-HPC(MTG) dated 8<sup>th</sup> June, 2012).**
- The implementing departments had been requested to prepare the quality DPRs, ensure the completion of projects within the phasing period and reduce the number of non starter projects. **(Instructions issued vide D.O. letter No. PLG FC(F) 1-27/05/RIDF-XVI (MLAs) 2010-11 dated 7<sup>th</sup> August, 2012).**
- The State Government has approved the following mechanism for substitution for MLAs priority schemes:-

**A) Substitution Admissible :**

1. The substitution of MLAs priority scheme(s) will be allowed subject to the condition that DPR of the scheme(s) is (are) not being prepared, prepared and posed to NABARD.
2. The MLAs priority schemes may be substituted in case it is found infeasible by the implementing departments citing clear reasons for infeasibility.

**B) Substitution not Permissible:**

1. The projects will not be substituted in case of those MLA priority schemes for which the DPR(s) is (are) being prepared, has/have been prepared by the implementing departments or posed to NABARD.
  2. In case any MLA priority scheme is sanctioned through any Central or State Sectors funds, other than NABARD loan assistance, the priority will be considered as sanctioned and no substitution of such schemes will be allowed.
  3. With the closing of respective RIDF tranche, the MLA priorities for which the DPRs have not been prepared for the particular closed tranche year will be considered as dropped. Therefore, all the pending priorities of closed RIDF tranches for which DPRs have not been prepared by the implementing departments will be treated as dropped and no DPR is required to be prepared for such priorities. Therefore, substitution of such schemes will not be entertained. **(Decision conveyed to the implementing departments vide letter No. PLG FC(F) 1-28/06/RIDF-(MLAs)-2012-13 dated 3<sup>rd</sup> May, 2013 and letter No. PLG-FC (F) 3-1/2013-14 dated 29<sup>th</sup> August, 2013).**
- The implementing departments may pose the DPRs of Hon'ble MLAs priority schemes for NABARD funding in case these schemes are not eligible for funding under grant based programmes of Gol. **(Instruction issued vide letter No. PLG FC (F) 3-1/2012-13-Kullu dated 24<sup>th</sup> August, 2013).**
- At the district level, a District Level Review Team, headed by the Deputy Commissioner, is in place to review the physical and financial progress of ongoing RIDF projects on quarterly bases. All the DFOs in each district have also been nominated as members of the District Level Monitoring Team. **(Instruction issued vide letter No. PLG FC(F) 1-30/08/RIDF-XIV (Meetings) loose dated 26<sup>th</sup> August, 2013).**

- If there are multiple schemes indicated against a single priority, in that case the department may prepare the DPR of the first scheme only. The other schemes in a priority will not be considered for funding under NABARD loan assistance.
- Multiple schemes under single priority are avoided. However, in case of T/wells, MI and RWSS, multiple schemes proposed under single priority will be considered for sanction under RIDF programme provided single DPR of the priority scheme is prepared.
- Forest clearance must be obtained from Gol before preparing the DPR where diversion of forest land is involved. The copy of the forest clearance should be attached with the DPR.
- The components like residential/non-residential buildings, Rest Houses, Inspection Huts (except Chowkidar quarters) and vehicles are not admissible for funding under RIDF programme. Therefore, these items may not be included in the project proposals while preparing the DPRs of MLAs priority schemes under R & B, MI and RWS sectors.
- If the source of LISs/LWSSs/RWSSs is one, the scheme will be treated one even if the water is provided to several villages/habitations.
- The IPH department should install most energy efficient pumps and machinery and propose more energy efficient solution in respect of lift irrigation and lift water supply schemes. Efforts should be made to harvest the rain water to meet the requirement of water in the summer season.
- IPH Department will reduce the staff liability of those schemes which are proposed for integration/augmentation in new schemes. Reduction of recurring expenditure on staff may be indicated in the project proposal.
- The IPH Department may explore the possibility of partly funding the tube wells through AIBP, except drilling cost of T/wells.
- The department may give detailed justification if the per km/per hect./per capita cost of the project is above the Central Sector/World Bank approved norms/parameters.
- PW & IPH Departments may endeavour to adhere to the cost norms of Gol / NABARD such as PMGSY, World Bank-Rural Roads, AIBP/PMKSY, NRDNP, etc.

NABARD generally considers such scheme for sanction as have the ERR above 15% and BCR greater than one. **(Conveyed to the department vide letter No. PLG FC (F) 1-34/12/RIDF-XVIII (WSS) 2012-13 dated 9<sup>th</sup> July,2013& 12<sup>th</sup> September, 2013).**

- The PW department may take up the issue with Gol for relaxing the population coverage norm of 250 souls in a census village in case of Himachal Pradesh being hilly State with scattered habitations/population. Moreover, State Government is committed to provide all weather road connectivity to each habitation irrespective of its population figure.
- I & PH department may re-conduct the survey of NC/PC/FC habitations through out the State as water sources are depleting with the passage of time. After fresh survey, updated status of NC/PC/FC habitations may be uploaded on the departmental website and the Gol may be requested to increase the grant under NRDWP to Himachal Pradesh accordingly.
- In case of Lift Irrigation Schemes, public/beneficiaries may contribute 5% energy charges so as to share some burden of annual energy charges of the scheme. IPH Department will ensure to give undertaking in this regard and attach the same with the DPR of the Project. **(Conveyed to the IPH department vide letter No. PLG FC (F) 1-35/13/RIDF-XIX (WSS) 2013-14 dated 4<sup>th</sup> July, 2014).**
- Implementing departments will ensure the utilization of minimum 80% of the total LOC, issued by the Finance department for RIDF Projects, on the ongoing RIDF projects and not more than 20% funds will be utilized on the new projects. **(Conveyed to the PWD and IPH departments vide letter No. PLG FC (F) 1-35/13/RIDF-XIX (WSS) 2013-14 dated 4<sup>th</sup> July, 2014).**
- Implementing Departments may ensure to start and complete the sanctioned projects/schemes of older tranches first and ensure reducing the number of Non-Starter and slow moving projects.
- As per NABARD guidelines, Non starter and slow moving projects have been defined as follows:-

**Non-Stater-** If the project is not grounded within 12 months from the date of issue of sanction letter, irrespective of whether the mobilization advance has been availed or

not by the State Government. NABARD will delete such projects where implementation is not initiated within maximum of 18 months from the date of the sanction.

**Grounded Projects-** A project will be treated as grounded only where the work order has been issued and the physical works has commenced.

**Slow Moving-** Projects where the progress falls short of Annual Phasing target by more than 50%.

- NABARD has also clarified that in case a sanctioned project is not started within 18 months from sanction, the project will automatically be considered as dropped. Implementing departments (IPH & PW) has been requested on regular intervals to send the cases of such projects to Planning Department for deleting/dropping from the list of sanctioned schemes/projects.

## **General Guidelines on RIDF**

- As per the policy of the State Government private land owners will donate their private land free of cost for the construction of roads, etc where required. Therefore, for the timely & smooth implementation of this policy decision, public representatives including Hon'ble MLAs have been requested to persuade the local people to donate their private land free of cost so that sanctioned road, irrigation and water supply schemes are constructed in their respective areas in time.
- Timely forest clearances play a vital role in the timely execution & completion of schemes. Therefore, FCA cases are being monitored at the level of ACS (Forests) and PCCF (Forests) on regular basis. Government of India, Ministry of Environment & Forests (MoEF) has requested to up load the complete FCA proposals in their website as per guidelines/check list available on the Ministry of MoEF, GoI website to avoid delay/ back references. Accordingly, the implementing departments have been requested to complete the process of FCA clearance cases in a time bound manner as per the guidelines of MoEF so that the FCA proposals are approved without any back reference.
- Directions have been issued to all the Deputy Commissioners to conduct joint inspections timely and regularly in respect of FCA cases related to preparation of DPRs of MLA priority projects as per decision taken in the MLAs meetings held on 4<sup>th</sup> & 5<sup>th</sup> January, 2016 under the Chairmanship of Hon'ble Chief Minister, Himachal Pradesh.
- The State Government has already approved preparation of DPRs by outsourcing, on case to case basis, so as to expedite the process of preparation of DPRs.
- In order to ensure the timely preparation of MLA Priority DPRs, timely execution and completion of sanctioned projects, the MLA priority schemes are reviewed and monitored periodically. Bi- monthly review meetings at the level of Shimla Regional Office of NABARD are held with the implementing departments. Concerned Administrative Secretaries and HoDs (PW/IPH/Agri) also review the implementation of MLA priority schemes at their level regularly. Apart from above, these schemes are also reviewed quarterly in the High Powered Committee (HPC) meetings chaired by Chief



Secretary, GoHP. The detail review of MLA priority schemes are annually done in the MLAs meetings also.

- MLA Priority Schemes have been started since 2003-04 by the State Government. Generally, MLA Priority Schemes are funded under NABARD loan assistance.
- Due to the upper loan limit fixed by the Gol and increasing interest burden on the State exchequer, State Government has decided to fund some of the MLA Priority Schemes through Centre/State Sector Programmes(PMGSY, CRF, AIBP, NRDWP, PMKSY, EAPs, TASP, SCSP, etc). The MLA Priority Schemes which can not be sanctioned under above mentioned programmes are posed for NABARD funding.
- From the year 2003-04 to 2009-10, three Really New Schemes of Hon'ble MLA's priorities were funded under RIDF in each of the following three sectors:-
  - (a) Roads & Bridges
  - (b) Minor Irrigation
  - (c) Rural Water Supply

But from the year 2010-11, State Government has decided to include two MLA Priority Schemes in each of the above three sectors.

- The State Government has decided to include the Sewerage schemes of Rural areas for funding as MLA priority under Rural Water Supply Sector. The sewerage scheme can be posed for group of villages / Panchayats with common sewerage treatment plant. The Sewerage project proposals will be designed on the guidelines of CPHEEO (Central Public Health & Environmental Engineering Organisation- Ministry of Housing and Urban Affairs, Government of India) Manual. The Operation & Maintenance (O&M) of the schemes shall also be carried out in accordance with the latest manual on Sewerage and Sewerage Treatment Systems Part-B O & M. On the issue of recovery of User Charges, the JSV will follow the orders issued by the Government from time to time. **(Instructions issued vide letter No. PLG FC (F) 1-35/13/RIDF-Guidelines-2013-14 dated 30<sup>th</sup> August, 2016 and dated 08<sup>th</sup> September, 2021).**
- As per policy guidelines of RIDF Programme, Hon'ble MLAs have discretion to prioritize the six priority schemes in either of one sector or in two or under all the three sectors i.e. Roads and Bridges, Minor Irrigation and Rural Water Supply Sector.

➤ After preparation of DPR by the concerned department, the same is posed to NABARD for funding through Planning Department. The DPRs costing above Rs. 5 crore are posed to NABARD after obtaining the approval of Hon'ble Chief Minister, DPRs costing Rs. 3 to 5 crore at the level of Administrative Secretary (Planning) and DPRs below Rs. 3 crore at the level of Head of the Department.

➤ From 2007-08, the NABARD provides loan assistance on the following pattern:-

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<b>Sector/Activity</b>	<b>RIDF loan admissible</b>
<b>as % age of eligible</b>	
<b>Project Cost</b>	
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i) Minor Irrigation, Soil Conservation, Flood Protection	95%
ii) Rural connectivity and Social Sectors	90%

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➤ NABARD provides start-up/mobilization advance upto 30% of the total RIDF loan sanctioned under projects.

➤ The rate of interest on NABARD loan is based on bank rate (1.50% less than the bank rate) and varies from time to time.

➤ In order to ensure balanced development and equitable distribution of NABARD loan assistance among constituencies, State Government has fixed the per constituency limit of NABARD loan assistance from time to time. The detail of upper limit is as under:-

<b>Sr. No.</b>	<b>Time Period</b>	<b>Per Constituency Limit of NABARD Loan Assistance (Rs. in crore)</b>
<b>1.</b>	<b>2.</b>	<b>3.</b>
Per constituency upper limit fixed in respect of sanctioned NABARD loan assistance prior to de-limitation.		
1.	Upto December, 2006	25
2.	From January, 2007 to 4 <sup>th</sup> January, 2011	70
3.	From 5 <sup>th</sup> January, 2011 to 17 <sup>th</sup> October, 2011	80
4.	18 <sup>th</sup> October, 2011 to 31 <sup>st</sup> December, 2012	100

After de-limitation, per constituency upper limit for posing the DPRs to NABARD from 2014-15 onwards.		
1.	From 1 <sup>st</sup> April, 2014 to 22 <sup>nd</sup> January, 2015	32
2.	From 23 <sup>rd</sup> January, 2015 to 3 <sup>rd</sup> January, 2016	50
3.	From 4 <sup>th</sup> January, 2016 to 1 <sup>st</sup> April, 2016.	60
4.	From 2 <sup>nd</sup> April, 2016 to 30 <sup>th</sup> March, 2017.	70
5.	From 31 <sup>st</sup> March, 2017 to 11 <sup>th</sup> February, 2018.	80
6.	From 12 <sup>th</sup> February, 2018 to 31 <sup>st</sup> March, 2019	90
7.	From 1 <sup>st</sup> April, 2019 onwards	105
8.	From 1 <sup>st</sup> April, 2020 onwards	120
9.	From 1 <sup>st</sup> April, 2021 onwards	135

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